



State of Delaware  
Clean Water Advisory Council  
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## **Minutes of the 89<sup>th</sup> Meeting**

**March 18, 2009**

The Delaware Clean Water Advisory Council met Wednesday, March 18, 2009 at 9:00 a.m., at Delaware Technical and Community College, Conference Room 400A, 100 Campus Drive, Dover, Delaware.

### **MEMBERS PRESENT:**

Jeffrey Bross, Vice-Chair  
Lee Beetschen  
Andy Burger  
Gary Burcham  
Mike Karia  
Hans Medlarz  
Chris O'Keefe  
Robert Stickels

### **OTHERS PRESENT WERE:**

Terry Deputy, Division of Water Resources  
Daisy Lopez, Division of Water Resources  
Davison Mwale, Division of Water Resources  
Frank Paquette, Division of Water Resources  
Reza Moqtaderi, Division of Water Resources  
Greg Pope, Division of Water Resources  
Frank Piorko, Division of Soil and Water Conservation  
Sarah Cooksey, DNREC  
David Hugg, Smyrna  
Daryl Jester, Smyrna  
Jim Sullivan, DNREC  
Bipin Ranade, Tetra Tech Inc  
Kevin Donnelly, NCCD  
David Hill, OMB  
Jen Campagnini, DNREC/Office of the Secretary  
Jeff James, Sussex County  
Michele Warren, Sussex County  
Kathy Bunting-Howarth, Division of Water Resources  
John J. Ashman, SCED  
Larry Irelan, NCCD  
David Beattie, City of Wilmington  
David Athey, URS  
Stu Lindner, Artesian Water  
JB Moore, Tetra Tech  
Rodney Wyatt, Artesian  
Barbara Jarrell, DNREC

Mike Izzo, Sussex County  
Dan Strina, Green Stone Eng  
Charles O'Donnell, GMB  
Judy Schwartz, GMB  
Matt Geary, Environmental Alliance Inc  
Chad Reed, Teal Construction Inc  
Susan Webb, Sussex County  
Will Hinz, Whitman, Reqhardt, and Associates  
Scott Adkinsson, DBF  
Eric Retzlaff, DBF  
Brian Murphy, O'Neill Property  
Dan Mtta, O'Neill Property  
Jon Husband, NCC  
Mike Harris, NCC  
Erika Benner, Controller Generals Office  
Ed Lewandowski, Center for the Inland Bays  
Cherie Clark, DNREC  
Ryan Flickinger, KCI  
Lonnie Heflin, WSI International

Before beginning the meeting, Mr. Bross advised the Council that they are without a Council Chairman and that he is serving as Acting Chair until the Governor appoints a new Chairman. It is hopeful that one will be appointed before the next Council meeting.

Due to a Council Member needing to leave early, the agenda will be amended to hear and vote on New Business items first.

### **CALL TO ORDER**

The meeting came to order at 9:20 a.m. following the Public Hearing for the FY 2010 Project Priority List and 2009 Intended Use Plan – Supplemental.

### **WELCOME NEW FAB ENGINEER III**

Reza Moqtaderi was introduced as the new Engineer III in the Financial Assistance Branch office. The Engineer IV vacant position has been requested to be filled.

### **APPROVAL OF THE AGENDA**

Motion made by Mr. Karia and seconded by Mr. Burger to approve the agenda as amended. Agenda approved unanimously.

### **APPROVAL OF MINUTES – Council Meeting held on January 21, 2009**

Motion made by Mr. Burger and seconded by Mr. Stickels to approve the January 21, 2009 meeting minutes. Motion passed unanimously.

### **NEW BUSINESS**

#### **Draft 20% Green Project Reserve Criteria and Notice-of-Intent Form**

Appreciation was given to Kevin Donnelly for help in developing the draft Green Project Reserve Ranking Criteria.

20% of the American Recovery and Reinvestment Act of 2009 (ARRA) Capitalization grant \$3.8 million must be used for a Green Project Reserve (green infrastructure, water or energy efficiency, and innovative use projects). Beginning March 18, the Financial Assistance Branch will solicit pre-applications for projects for the Green Project Reserve.

The draft Green Project Reserve criteria was presented and discussed by the Council. The draft Green Project Reserve ranking criteria was discussed at the joint Surface Water/Finance subcommittee meeting and was recommended for approval from both committees. It was thoroughly debated and a number of changes were made to the items and rankings to meet the intent of the stimulus programs and to link it to existing programs that define water quality needs.

Motion made by Mr. Medlarz and seconded by Mr. Burger to approve the Green Project Reserve Ranking criteria. Motion passed unanimously.

#### **Sussex County – Angola Neck CWSRF Refinancing Request**

Sussex County requested CWSRF assistance for refinancing the Angola Neck. This project would install collection and transmission systems to the unsewered Angola Neck District. The CWSRF project closed after October 1, 2008 and is eligible for refinancing under the ARRA Capitalization Grant. The Council previously approved \$15 million CWSRF loan at 1.5% for 40 years and \$1.5 million in 21<sup>st</sup> Century fund grant.

The proposal was to refinance the \$15 million loan by reducing it by \$1.5 million and replace with a \$1.5 million ARRA loan with 100% principal forgiveness. The current sewer charge per EDU at \$1,051 with 2.02% MHI would also be replaced with a new Sewer charge per EDU of \$998 at 1.92% MHI.

It was stated that the work of the Council is to clean up Delaware's waters and this is a creative approach and good use of the ARRA money and most affordable for citizens.

A question was raised if it was necessary to refinance this loan instead of using the \$1.5 million to fund another greater project need. It was stated that this is an area that is in jeopardy of ground water pollution and it would benefit the citizens by providing this loan at the most affordable rates for the residents.

Mr. Dave Baker stated that he requested that the Council consider shifting this money among the four (4) Sussex County projects to be funded with ARRA funds. They would like to keep the residential user rates as close as possible.

A question was raised asking if this request included impact fees paid to the county. It was stated that some of the projects do include impact fees and that some paid a one time fee paid at the time of in action.

Motion by Mr. Stickels and seconded by Mr. Karia to approve this request. Motion passed with majority voting yes. One opposed.

#### **Hartly Area Sewer Project – Supplemental Request**

This project was previously approved by the Council for the Hartly Area Sewer District for \$7 million in 21<sup>st</sup> Century funds. The latest project estimate has increased to \$9.5 million and the County has requested supplemental funding. The estimated O & M costs had increased from \$225 to \$280.2 EDU. The request is for a \$2.5 million grant to maintain the user rate of \$550.22/EDU.

It was asked, what will be the household connection charge? It was stated that the household connection charge will be approximately \$900.00. The County will arrange for a master plumbing bid for hookups; Levy Court has waived the district fees and froze main system fees at the time of application which was in 2003. Residents will receive a reduced fee for treatment at approximately a 60% reduction.

Motion by Mr. Stickels and seconded by Mr. Burger to approve the supplemental request. Motion passed with majority voting yes. Mr. Medlarz abstained from voting.

#### **Sussex County – Johnson's Corner Sanitary Sewer District Request**

Sussex County requested financial assistance for the Johnson's Corner Sanitary Sewer District project. The proposed project will have collection and transmission systems installed in an unsewered area. It will eliminate 375 septic systems and prevent 102 additional septic systems from being installed. The septic system elimination will prevent 5,201 lbs of Nitrogen and 225 lbs Phosphorus from reaching groundwater annually.

The project is in the Inland Bays watershed and is integral to the implementation of the Inland Bays Pollution Control Strategy. Wastewater will be treated at the South Coastal Bays Regional Wastewater Facility. After a technical review of the aforementioned documents; it was established that a Finding of No Significant Impact (FONSI) would be necessary.

The Financial Assistance Branch is recommending that the Council approve a binding commitment for an ARRA loan of \$5,083,986 and loan principal forgiveness of \$1,248,033 for the construction of the Johnson's Corner Sanitary Sewer District.

Motion by Mr. Stickels and seconded by Mr. Karia to approve this request. Motion passed unanimously.

### **City of Harrington – Project Amendment Request**

This request is an amendment to a project that was approved several years ago by the Council for a Wastewater Treatment Facility Expansion and upgrades. This project permits the discharge of treated wastewater to a tributary of the Murderkill River. In March 2005 TMDL regulations require that the City significantly reduce nutrient loads being discharged.

Upgrades of existing and construction of new wastewater infrastructure are necessary for spray irrigation. The proposed amendment would upgrade and install necessary infrastructure to pump the City's untreated wastewater to the Kent County Wastewater Facility for treatment and disposal. After completion of the project, the City will abandon the treatment facility and discharge to the permit to the tributary of the Murderkill River.

Questions were asked if the existing facility to be abandoned has outstanding loans and how is the facility going to be used? It was stated that there is existing debt. The Wastewater Treatment Plant's large lagoon and irrigation lagoon will be drained. The storage lagoon will be used for emergency storage once the project is completed. As for the actual facility, the City is not yet sure what they are going to do with it.

Motion made to approve the amendment. Motion passed with majority voting yes. Mr. Medlarz and Mr. Beetschen abstained from voting.

### **ADMINISTRATORS' REPORTS**

#### **A. CWSRF Project Status Update**

South Coastal Regional Wastewater Facility expansion – Phase I project is complete; Phase II final balancing change order is pending; Laurel upgrade of Existing Facultative Lagoon system and Conversion to BNR Treatment Plant construction is complete; decommissioning of Lagoon #3 is underway; Seaford Lift Station and Expansion is 72% complete; and Millville Gravity Wastewater Collection System and Transmission Facilities contracts A and B are complete; the final inspection was in November 2008.

#### **B. CWSRF Financial Reports/CWSRF Cash Flow Model**

The Financial Report was presented to the Council for month ending February 2009. A chart was presented showing obligated funds and disbursed funds. A cash flow model was presented as well demonstrating how projects will be funded over time.

21<sup>st</sup> Century Fund report was presented for the month ending February 2009. In the Infrastructure Planning Account there is \$0; in the Wastewater Management Account there are \$4.0 million; in the Clean Water State Match there is \$845,702 for a total available balance of \$4.87 million.

#### **C. Surface Water Update**

The Divisions of Soil and Water and Water Resources with the assistance of Ms. Jen Campagnini have been working on putting together criteria for the \$500,000 in water quality grant that was discussed at the last meeting. They are close to finishing that up and will have something for the Council by the next meeting. The Water Quality grant will be an annual appropriation in the Non-Federal Administrative Account.

At the last meeting, the Council recommended and approved using funds to fill the vacant position in the Division of Soil and Water that provided assistance to the Council. They have been working on developing criteria and identifying what role the individual will have. Part of this position's role and responsibility will be to work with FAB staff on the Surface water needs to create an avenue of funding for municipalities.

The Kent County Level of Service Analysis for Surface Water is near completion. That project should be completed in April. Once the final draft report is pull together, there will be a meeting to gather public input. The State LIDAR project that was supported and approved by the Council is up and running. Anyone that is interested should go on the State Planning website and take a look at the interesting information that can be gathered. The system is very user friendly.

A question was asked if there will be a project priority list for projects in the Conservation Districts in Storm Water for the GI funding. It was stated that there will be a Notice of Intent application form for municipalities and others that want to apply for the Green Infrastructure funding. Applications are being accepted from March 18 through April 17. The applications received will be ranked and approved at the next meeting by the Council members. Projects that were solicited on the PPL need to reapply for the GI funding. A public hearing will be held on April 22, 2009 to approve those projects. Public comments are open on the PPL until April 17, 2009

## **SUBCOMMITTEES' REPORTS**

### **A. Wastewater**

Mr. Beetschen reported that the Wastewater Subcommittee has not had a meeting.

### **B. Surface Water Management**

The Surface Water Management had a joint meeting with the Finance Subcommittee. The two subcommittees mainly discussed the ranking criteria the Green Project Reserve funding.

### **C. Public Outreach**

No report

### **D. Finance**

The Finance Subcommittee met on March 1, 2009 with the Surface Water Management Subcommittee. It was the unanimous recommendation of the Finance subcommittee members to fund loans with a 2% interest rate.

Mr. Burger thanked Mr. Stickels for stepping in as Chair for the Finance Subcommittee during his absence.

## **APPROVAL OF THE PROJECT PRIORITY LIST AND INTENDED USE PLAN**

Public comment for the 2010 Project Priority List (PPL) and 2009 Intended Use Plan (IUP) is to be received no later than April 17, 2009. The Financial Assistance Branch recommends that the Council vote and approve the 2010 Project Priority List and the 2009 Intended Use Plan as presented in the Public Hearing.

Motion made by Burger and seconded by Mr. Medlarz to approve the 2010 PPL and 2009 IUP. Motion passed unanimously.

To help stimulate Delaware's economy, it is recommended that the Council approve a 2% interest rate for all CWSRF projects under contract that will be at closing by December 31, 2009.

Motion by Mr. Stickels and seconded by Mr. Medlarz to approve the 2% interest rate. Motion passed unanimously.

### **OLD BUSINESS**

None

### **PUBLIC COMMENT**

Mr. Dave Baker thanked the Council and DNREC Staff.

Mr. Stickels stated no government has put more general funds money into sewer infrastructure than Sussex County has in the last ten years.

Mr. Medlarz stated that one of his main concerns with this Council use to be about wastewater. A lot of projects are septic remediation projects. He stated that the Angola project crossed the \$30,000 per unit cost. When looking at how much money is spent by the State and County, there is no comparison and these issues could be avoided if the state had land use.

### **GOOD OF THE COUNCIL**

Mr. Bunting-Howarth introduced Ms. Barbara Jarrell. She is the new Division of Water Resource Deputy Director. She also thanked Mr. Deputy and Mr. Paquette for their hard work on pulling together all the Stimulus information for the Council; thanks to Mr. Zimmerman, Mr. Deputy and Ms. Jarrell for working with the Office of Drinking Water to get coordination with the Drinking Water SRF and Clean Water SRF.

On behalf of the Council, Mr. Bross commended the staff for their hard work in gathering all this information within the last 30 days. He stated that the citizens of Delaware are the beneficiaries of the hard work that this Council accomplishes. He stated that he feels good as Acting Chair that the Council is doing good work and is supported by excellent staff and it is very much appreciated. He also expressed a special thank you to Mr. Kevin Donnelly for his work on the Green Infrastructure Evaluation Criteria.

### **ADJOURNMENT**

Next meeting will be held on April 22, 2009 at Kent County Levy Court Administrative Complex, 555 Bay Road, Dover in Conference Room 220 beginning at 9:00 am.

Motion made by Mr. Burger and seconded by Mr. Stickels to adjourn the meeting. Motion passed unanimously. Meeting adjourned at 10:30 am.